

**CALIFORNIA STUDENT AID COMMISSION**  
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**AMENDMENT TO TITLE 5, CA CODE OF REGULATIONS, §30023(c), REGARDING  
GRACE PERIOD FOR SUBMISSION OF GRADE POINT AVERAGES AFTER CAL  
GRANT APPLICATION DEADLINE  
(EDUCATION CODE 69432.9)**

**INITIAL STATEMENT OF REASONS**

**Introduction**

The California Student Aid Commission (Commission) proposes to amend Title 5 of California Code of Regulations, Section 30023, subdivision (c). This subdivision governs the grace period for schools to request that the Commission accept grade point averages (GPAs) submitted after the established Cal Grant application deadlines. The purpose of the proposed amendment is to eliminate an unnecessarily restrictive grace period for late submission of the applicants' GPA, and accomplish the Legislative intent of the Cal Grant entitlement program of providing state aid to all eligible applicants.

The Commission administers the Cal Grant Program pursuant to Education Code Section 69430 et seq. The Cal Grant Program includes two types of awards. Entitlement awards are made to all students who meet specified academic and financial need requirements, regardless of the number of applicants. In addition, a limited number of competitive awards are made by selection of the most qualified applicants. Applications for awards must be submitted by a specified deadline each year. (Ed. Code §§ 69434(b) (1), 69435.3(a) (1), 69436(b) (1), 69437(b) (1).) Education Code Section 69432.9, subdivision (c), specifies that a grade point average (GPA) must be submitted by Cal Grant A and B applicants, and requires the Commission to adopt regulations that establish a "grace period" for the receipt of GPAs.

Pursuant to the authority provided in Education Code Section 69432.9, subdivision (c), the Commission adopted California Code of Regulations, Title 5, §30023(c), to establish a 20-day grace period following the Cal Grant application deadline in which educational institutions could request that the Commission accept a late submission of an applicant's GPA. The regulation specifies that the Commission will accept, on a case-by-case basis, the submission of an applicant's GPA from the educational institution after the established application deadline if, in the Executive Director's opinion, circumstances beyond the control of the applicant prevented or delayed the timely submission of the GPA, and if such request for late submission of the GPAs is received no later than twenty (20) days after the established deadline.

**Specific Purpose and Factual Basis/Rationale**

The proposed regulatory amendments implement, interpret, and make specific provisions of Education Code section 69432.9 regarding the grace period for submission of GPAs after the Cal Grant application deadline.

The specific purpose of each proposed adoption, and the rationale for the determination that each adoption is reasonably necessary to carry out the purpose for which it is proposed, is as follows:

**Subsection (c) of Section 30023** - The proposed amendment would clarify that requests for late submission of GPAs may be submitted by applicants as well as from educational institutions. Since the applicant is the intended beneficiary of the Cal Grant program, it is inconsistent with the purpose of the program to restrict the applicant's ability to make a request directly to the Commission and instead to make him dependent upon his school to make a request on his behalf. The proposed amendment also clarifies the dates by which Cal Grant applications are due, consistent with Education Code Sections 69434(b)(1) (March 2 for Cal Grant A), 69435.3(a)(2) (March 2 for Cal Grant B), 69436(b)(1) (March 2 for Transfer Entitlement), 69437(b) (March 2 and September 2 for Competitive Cal Grant A and B), by substituting specific calendar dates for the term "established deadline." This amendment is proposed for purposes of clarity.

The proposed amendment would also delete current provisions establishing the 20-day grace period for all applicants, which are being replaced by the proposed provisions establishing different grace periods for entitlement and competitive award applicants in subsections (c)(2) and (c)(3), respectively.

**Subsection (c)(1) of Section 30023** – The Commission proposes to add subsection (c)(1) to clarify the information necessary to demonstrate, as required by subsection (c), that the applicant's GPA was not submitted by the application deadline due to circumstances beyond the control of the applicant. Such information must include a certification from the reporting institution or the applicant. The alternative forms of certification permitted include certification by the reporting institution that the circumstances that delayed or prevented a timely submission of the GPA by the March 2 or September 2 deadline was beyond the control of the applicant, proof submitted by the applicant or the reporting institution that the GPA was originally mailed by the applicant or the institution before the deadline, or a statement by the applicant, under penalty of perjury, of facts showing that there were circumstances beyond the control of the applicant that prevented a timely submission of the GPA.

**Subsection (c) (2) of Section 30023** – The Commission proposes to add subsection (c) (2) to establish a grace period of 75 days for receipt of requests for late submissions of GPAs of entitlement award applicants. Extending the grace period for entitlement award applicants assures an opportunity for all qualified applicants to be considered, consistent with the purpose of the Cal Grant entitlement program to assure financial assistance to all qualified applicants. The proposed amendment specifies that the request to accept the GPA for entitlement award applicants after the March 2 deadline must be received by the Commission no later than May 16 (seventy-five (75) days after the March 2 deadline). The proposed amendment specifies that the request must include the GPA together with the certification specified in proposed subsection (c) (1). Furthermore, this proposed subsection will require the Commission to inform applicants who are potentially eligible for entitlement awards that they have until May 16 to request the Commission to accept their GPAs. This notification from the Commission must be sent to the students no later than April 16, forty-five (45) days after the March 2 deadline. The notice will assure that applicants are able to take advantage of the extended grace period.

**Subsection (c)(3) of Section 30023** – The Commission proposes to add subsection (c)(3) to clarify that the grace period for applicants for a competitive award to request the Commission to accept late submission of GPAs will be twenty (20) days from the March 2 or September 2 application deadline. Because a limited number of competitive awards are made only to the most qualified applicants, retaining the 20-day grace period allows the pool of applicants to be fixed at a specific point in time and the selection of applicants from that pool to be made on a timely basis. The proposed amendment also specifies that the GPA and the certification specified in subsection (c) (1) must be included with the request. This amendment clarifies the content of the request.

**Subsection (c)(4) of Section 30023** – The Commission proposes to add subsection (c)(4) to extend the grace period for those applicants from the 2006-2007 award year who had submitted a FAFSA by March 2, 2006 deadline and for whom the Commission did not receive a grade point average by the March 2, 2006 deadline. For these specific applicants the proposed amendment would extend the grace period for requests to August 31, 2006, provided that the reporting institutions certified that the circumstances which prevented or delayed the timely submission of grade point average were beyond the control of the applicants. The Commission will review requests received during this period and make an entitlement award to each such applicant who is otherwise eligible if the Commission finds that the circumstances that prevented the timely submission of the GPA were beyond the applicant's control.

**Subsection (c) (5) of Section 30023** – The Commission proposes to add subsection (c)(5) to clarify the circumstances under which deadlines established by the regulation are extended by operation of Government Code Section 6707. This proposed amendment is for purposes of clarity.

#### **Business Impact**

CSAC has made an initial determination that the proposed regulatory action would have no significant statewide adverse economic impact directly affecting business, including the ability of California businesses to compete with businesses in other states. The proposal would impose no costs upon business. The proposal does not affect small businesses as defined by section 11342.610

#### **Consideration of Alternatives**

CSAC is not aware of any reasonable alternative that would be more effective in carrying out the purpose for which the adoption of this regulation is proposed, or would be as effective as and less burdensome to affected private persons than the proposed action.

#### **Efforts to Avoid Unnecessary Duplication with Federal Regulations**

The proposed regulatory action does not duplicate or conflict with federal regulations because there are no federal regulations contained within the Code of Federal Regulations that address this issue.